

April 19, 2002

TowerStream Corporation  
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Honorable Michael Powell  
Chairman  
FCC  
445 12<sup>th</sup> St SW  
Washington, DC 20554

RE: Docket 02-33, Universal Service Obligations- Wireless Service Providers

Dear Chairman:

In Paragraph 79, the Commission requests comments to identify factors that should be considered when deciding whether the public interest is served by requiring “other” service providers, such as wireless broadband providers, to contribute to the universal service fund.

We have identified three factors that are vital to stated goals of the Commission and Congress. These factors set apart emerging wireless providers like TowerStream Corporation, because they are vital to the overall mission of providing universal broadband to all Americans. The Commission should consider these three factors when making this decision:

1. Is the provider *emerging*, i.e., “a new service provider?” We strongly agree with the Commission to reject any policy that serves to “overburden new service providers.”<sup>1</sup> The public interest would not be served by forcing emerging wireless Internet service providers to contribute to the Universal Service fund. It is counterproductive and counterintuitive to saddle emerging wireless Internet service providers with additional costs and administrative responsibilities given the Commission’s “primary policy goal to encourage ubiquitous availability of broadband to all Americans.”<sup>2</sup>
2. Does the provider *innovate, promote beneficial competition and investment*? The Commission’s stated objective that “broadband services should exist in a minimal regulatory environment that promotes investment and innovation in a competitive market”<sup>3</sup> is mandated by Congress. Wireless providers are innovative. They do not require existing infrastructure to be modified and can deploy service quickly and with less investment. And they promote beneficial competition by giving consumers choices. Any additional costs and administrative requirements imposed on these companies would not promote competition, investment or innovation and would not produce the “minimal regulatory environment” the Commission states as its goal.
3. Is the provider *able to provide broadband where wireline providers cannot*? In essence, does the provider uniquely extend the goal of Universal Service? As has been clearly stated in this proceeding by others<sup>4</sup>, emerging wireless service providers are often providing services where wireline providers cannot or will not. If the fund is to promote

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<sup>1</sup> FCC 02-42 page 31

<sup>2</sup> FCC 02-42 page 3

<sup>3</sup> FCC 02-42 page 4

<sup>4</sup> e.g., Comments, Tom DeReggi, Rapid DSL and Wireless Inc.

universality of service, it is illogical to strap its costs on the back of emerging companies that are expanding universal service areas.

We believe that *it does not serve the public interest* to “overburden” wireless service providers with the Universal Service Fee in light of their innovative ability to foster the Commission’s goals of universal access, increase competition and continued investment in the beleaguered Telecom sector.

Mr. Chairman, this letter is consistent with your Separate Statement to this proceeding, particularly with regards to Broadband Deployment as the Central Communications Policy Objective, Limiting the Risk and Uncertainty of Regulation and Lowering the Cost of Infrastructure Investment.<sup>5</sup>

I urge the Commission to consider these points when making its decision.

Respectfully,

Philip Urso  
CEO  
TowerStream Corporation

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<sup>5</sup> FCC 02-42 Separate Statement of Chairman Michael K. Powell